



To: The Honorable G. Murrell Smith, Jr. Chairman
The Honorable Tracy R. Edge
The Honorable Harry L. Ott Jr.
The Honorable William G. "Bill" Herbkersman

From: Tim Rogers, W&M Staff

Date: January 14, 2012

Subject: Healthcare Budget Subcommittee Hearing- DHEC

The hearing is scheduled for Tuesday, January 17, 2012, at 2:30 PM in Room 108 of the Blatt Building.

Attached are the first 34 pages of DHEC's **Budget Request Notebook** for FY 12-13. You will receive the complete notebook at the hearing.

Pages 1-5 Agency Overview

Page 6 Budget Request by salary, fringe, operating, on-time funds and FTEs

Pages 7-15 Budget Request Description (not ranked)
 Requested State Non-recurring- \$1.3 million
 Requested State Recurring- \$20.5 million

<u>History</u>	<u>Actual FY 10-11</u>	<u>Appropriated FY 11-12</u>
Gen. Funds	\$ 82 million	\$ 89 million
Total Funds	\$446 million	\$553 million

Pages 16-20 "Critical Needs" identified but not included on pages 7-15 (not ranked)

These are health and environment related needs identified by DHEC's management team, and considered important, but a lower priority. In the request document, the agency states: *These needs have not gone away, and we would respectfully request that they, too, be considered when funding decisions are made during the 2012 session. We felt (DHEC), however, that it was important to keep our actual request to a more reasonable amount. (Page 7)*

Pages 21-32 Budget Request- Further descriptions of Budget Request on pages 7-15

Pages 33-34 Capital Request

S.C. Department of Health and Environmental Control

The South Carolina Department of Health and Environmental Control (DHEC) is the public health and environmental protection agency for the state. The mission of the agency is to promote and protect the health of the public and the environment. In keeping with this mission, the primary goal of public health is to secure health; promote wellness for both individuals and communities by addressing the societal, environmental and individual determinants of health; and protect the environment. DHEC efforts and action plans move the agency toward our vision of *healthy people living in healthy communities* and include: response to natural and man-made emergencies; response to chronic and emerging health threats that affect the quality of life; the continued formation of partnerships to address health and environmental concerns; environmental protection and its link to economic development; and coastal protection and management. To continue to effectively support the vision and mission of both the state and the agency requires resources for emerging health and environmental concerns, emergency preparedness and response, and maintenance of the agency's infrastructure.

Mission

We promote and protect the health of the public and the environment.

Vision

Healthy people living in healthy communities

Goals

- Increase support to and involvement by communities in developing healthy and environmentally sound communities.
- Improve the quality and years of healthy life for all.
- Eliminate health disparities.
- Protect, enhance and sustain environmental and coastal resources.
- Improve organizational capacity and quality.

Values

Customer Service:

We are committed to meeting or exceeding customers' identified needs and expectations with quality service.

Teamwork:

We are committed to working together to make decisions and reach common goals.

Cultural Competence:

We are committed to cultural competence by recognizing, respecting, understanding, accepting and valuing different cultures in order to provide effective services to all our customers.

Use of Applied Scientific Knowledge for Decision Making:

We are committed to the use of rational methods and scientific knowledge to provide answers and to guide our professional judgment.

Local Solutions to Local Problems:

We are committed to cooperation and collaboration within our agency and with local resources to develop healthy communities that are active in improving their own health and environment.

Excellence in Government:

We are committed to building an organization that is quality-focused, customer-driven and fiscally responsible.

Our Employees:

We are committed to supporting our staff who are our most important resource and critical to the accomplishment of our agency mission.

Executive Management Team

C. Earl Hunter, Commissioner

Wanda C. Crotwell, Assistant to the Commissioner for External Affairs

R. Douglas Calvert, Chief of Staff

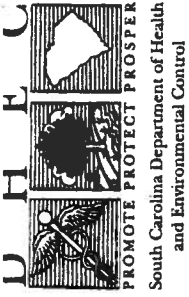
Lisa F. Waddell, MD, MPH, Deputy Commissioner, Health Services

Robert W. King, Jr., Deputy Commissioner, Environmental Quality Control

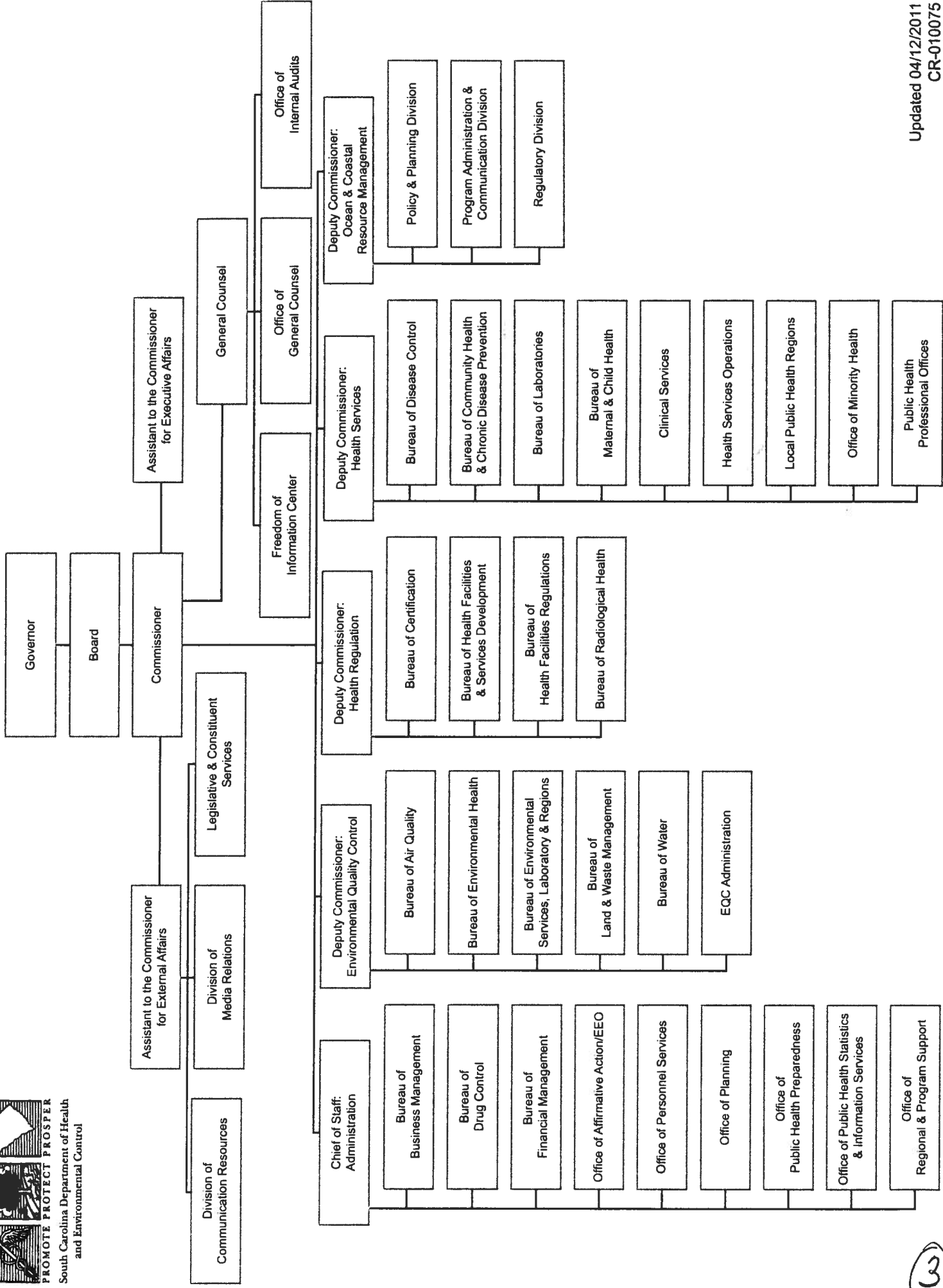
Pam Dukes, Deputy Commissioner, Health Regulation

Caroline Boltin-Kelly, Deputy Commissioner, Ocean Coastal Resource Management

Carl Roberts, Chief Counsel



Organization Chart



DHEC Budget Reductions by the Numbers

- Since FY08, DHEC's budget has decreased from a base appropriation of \$147,280,917 to \$89,358,686, a cut of \$57,922,231 or 39.33%. DHEC's current funding level is equivalent to the agency's funding level in 1989 before adjusting for inflation.
- This means that in South Carolina with a population of 4.4 million people, each man, woman and child pays only \$20.31 per year for all of the services DHEC provides through our state appropriations.
- In FY08, state funding as outlined in the Appropriation Act was 25.38% of DHEC's budget, with the remaining portion coming from earned and federal funding. DHEC's state funding is now down to 16.15% of our total funds, 49.28 % of federal funding, 34.57% of other funds.
- In June 2008, DHEC had 1,819 state positions. As of October 2011, the agency is down to 1,041 filled state positions, a loss of 778 state positions in just 39 months.
- Overall, the agency is now down to 3,398 total filled FTEs. DHEC now has fewer total employees than in 1985, and has 1,932 fewer filled FTEs than at our high point of 5,330 in 1996 and 1997.

Current Budget

DHEC's FY12 budget as reflected in the Detail Budget Report submitted in October 2011 includes:

General Fund:	\$ 89,358,686*
Federal Funds:	\$272,573,646
Other Funds:	<u>\$191,204,710</u>
Total	\$553,137,042

*** This is the amount of the recurring appropriations included in the FY 2012 Appropriations Act. This figure does not include \$6,729,481 (non-recurring carry forward), \$788,836 Insurance incremental increase, \$100,000 Donate Life (supplemental) or the transfer of general funds to the BabyNet program – 1,224,325. The total general funding (state) is \$95,572,678. This brings the funding to \$559,531,034.**

Federal and Other Funds

While the reliance on federal and other funds has grown over the years, there are specific commitments and obligations attached to these funds. State, federal and local rules and regulations require that these funds be used for specific programs and activities. For more details on the agency's assessment and collection of other funds, including fees and fines, please see the annual Fee and Fine Report posted on the agency's website at www.scdhec.gov. The report is posted annually as required by Proviso 89.102.

Agency Certification and Transmittal Sheet

Code:

22/J04

Name:

Department of Health and Environmental Control

Mission Statement: The South Carolina Department of Health and Environmental Control (DHEC) is the public health and environmental protection agency for the state. The mission of the agency is to promote and protect the health of the public and the environment. In keeping with this mission, the primary goal of public health is to secure health; promote wellness for both individuals and communities by addressing the societal, environmental and individual determinants of health; and protect the environment. DHEC efforts and action plans move the agency toward our vision of healthy people living in healthy communities and include: response to natural and man-made emergencies; response to chronic and emerging health threats that affect the quality of life; the continued formation of partnerships to address health and environmental concerns; environmental protection and its link to economic development; and coastal protection and management. To continue to effectively support the vision and mission of both the state and the state agency requires resources for emerging health and environmental concerns, emergency preparedness and response, and maintenance of the agency's infrastructure.

This, and accompanying statements, schedules, and explanatory sheets for the eight required sections constitute the operating budget estimates of this agency for all proposed expenditures for the 2012-2013 fiscal year.

All statements and explanations contained in the estimates submitted herewith are true and correct to the best of my knowledge.

Signed:

P. Earl Hunter
(Agency Head)

Date:

Sept. 30, 2011

Re-cap of State Increases Requested FY 2013

State Appropriation	Salary	Fringe	Operating	One Time	Total	FTEs
Administration	80,000	25,600	1,527,566		1,633,166	2.00
Vital Records	37,850	12,150	100,000	360,000	510,000	1.00
EQC-Water Management	1,005,358	321,715	309,820	369,000	2,005,893	27.00
EQC-Air	357,861	114,516	52,623	75,000	600,000	7.00
EQC-Land & Waste Management	474,005	151,682	211,213	180,000	1,016,900	10.00
Coastal Resource Improvement-OCRM	95,549	39,740	264,711		400,000	3.00
Health Services-Infectious Disease Environmental Health	1,227,876	392,920	379,204	338,700	2,338,700	39.00
Health Services-Infectious Disease ADAP			3,000,000		3,000,000	
Health Services-Infectious Disease TB Control	208,000	66,560	968,214		1,242,774	4.00
Health Services-Infectious Disease STD/HIV	208,000	66,560	749,476		1,024,036	4.00
Health Services-Infectious Disease Immunization			3,000,000		3,000,000	
Health Services-Infant Mortality	1,405,998	449,919	116,698		1,972,615	Existing
Health Services Access to Care	922,351	295,152	76,556		1,294,059	Existing
Health Services-Independent Living Hemophilia			1,200,000		1,200,000	
Health Regulation-Radiological Health	139,000	44,480	63,900		247,380	2/existing
Health Regulation-Health Facility/Services Development	36,000	11,520	23,600		71,120	1.00
Health Regulation - Health Facilities Licensing	93,000	29,760	59,300		182,060	3.00
Health Regulation- Emergency Medical Services	80,000	25,600	378,000		483,600	Existing
	<u>6,370,848</u>	<u>2,047,874</u>	<u>12,480,881</u>	<u>1,322,700</u>	<u>22,222,303</u>	<u>103.00</u>

DHEC Critical Needs

In recent years, due to specific requirements of the budget request process, the agency has not formally requested any new funding. We did, however, provide a list of what we determined to be critical needs for the state. Our belief in doing so was that it was unfair to expect elected officials to make budget decisions and set spending or cut priorities without the necessary information on what the needs actually are in the areas of public health and environmental protection. We did so with the hope that, should any funding become available, or as decisions were made on the cutting and elimination of programs, these programs would be considered carefully as priority needs for the state.

With the change in this year's budget request requirements, however, the agency is once again asking for funding for some of the most critical programs we have. These are needs that were identified at the time of the budget submittal, which was early fall of 2011. It is important to note that potential changes in federal revenue, which was yet to be decided at that point, may impact the list that is included in this document.

In addition to the actual requests, we have also included the remainder of the critical needs that have been identified in recent years. These needs have not gone away, and we would respectfully request that they, too, be considered when funding decisions are made during the 2012 session. We felt, however, that it was important to keep our actual request to a more reasonable amount. Certainly these programs did not sustain all their cuts in one year, and we do not expect to have that funding restored in one year. Therefore, we have done our best as agency management to prioritize those items that are in the most critical need of funding, and have asked for new appropriations for those. But we have also included for your consideration, those programs that, above and beyond those listed in our formal request, remain in great need of funding.

DHEC Critical Needs Included in the FY 2012-2013 Budget Request				
Title (Budget Category)	Description	Non- Recurring State Dollars	Recurring State Dollars	Total Dollars
Outbreak Response Teams (Family Health - Access to Care)	This request is for \$1,294,059 in recurring funds to provide staffing to eight Public Health Regional Outbreak Response Teams to respond to and investigate food-, water-, person-to-person and vector-borne outbreaks of public health significance. State and federal funds used to support these teams have been continually cut in the past several years. The funding and staff are essential, in order to respond in a timely and effective manner to outbreaks of public health significance. These teams also examine disease trend data from hospitals, serve as the frontline response to reports of illness, and provide medical/public health expertise and consultation during disease outbreaks. Each team consists of a public health nurse epidemiologist, disease surveillance/investigator and public health physician. No new FTEs will be needed as existing	\$0	\$1,294,059	\$1,294,059

	vacancies can be used.			
Vaccine Purchases (Family Health - Infectious Disease Prevention)	Funds would support the purchase of vaccines for under insured children and adolescents. Previous federal and state budget reductions, and increases in cost have resulted in the Immunization Program having inadequate funding to provide vaccines for all underinsured children to receive vaccines in their doctor's offices. In addition, these funds would be used to purchase vaccines for vaccine preventable diseases in adults such as flu and pneumonia, or for disease outbreaks.	\$0	\$3,000,000	\$3,000,000
Infant Mortality (Family Health – Maternal/Infant Health)	Funds would be used to rebuild and support public health nurses to provide reproductive health services (family planning and preconception health counseling) and home visits to high risk newborns referred to the health department by their pediatricians. These resources have been cut by over \$2.2 million over the past three years. This includes Postpartum Newborn Home Visits, Preconception Awareness Efforts, Preconception Health Services, Regionalization Systems, Maternal, Fetal and Infant Mortality Reviews; other women and children's preventive health services; and/or county specific evidence - based programs to impact infant mortality. No new FTEs will be needed as existing vacancies can be used.	\$0	\$1,972,615	\$1,972,615

Water Quality Improvement (Same)	<p>Ambient Monitoring - Water quality data is the foundation of the water permitting and water restoration programs. Funds would support an increase in the ambient monitoring network from the current 90 sites sampled on a monthly basis and 251 sites sampled on a bi-monthly basis (six times per year) to the monitoring network the agency had as recently as three years ago that consisted of approximately 500 sites sampled on a monthly basis. Fish tissue monitoring allows DHEC to provide water body specific fish consumption advice across the state to protect human health especially from high levels of mercury and PCB's in fish. These funds also would support an increase in the fish tissue monitoring network from the current 60 sites sampled once a year to our past monitoring network consisting of 120 sites sampled once a year. Four sampling staff for regional offices, three staff for the central office, and two staff for our laboratory is needed to restore our ambient monitoring program to an acceptable level.</p>	\$0	\$600,000	\$600,000
	<p>Water Quality Certification - State Review of 404 Wetland Applications made to the Corps of Engineers is important because it is the state's opportunity to provide input critical to protection of wetland resources. Recent state budget reductions paired with near term expiration of federal grants that have supported this effort, threaten to eliminate the state review. Funding for four review staff is the minimum funding required to continue this activity.</p>	\$0	\$250,000	\$250,000
	<p>Dam Safety Program - Funds would allow three (3) staff to support core functions of the program to include inspections, verifying corrections of deficiencies and assisting the public in dam failure situations.</p>	\$63,500	\$201,393	\$264,893
	<p>Water Pollution Compliance & Permitting - Funds would provide: support staff to sample the state's rivers, lakes and streams to ensure compliance with water quality standards and inspection of permitted wastewater facilities to ensure compliance with regulation; Review of monthly inspection reports from construction storm water sites for compliance and provide compliance assistance to NPDES industrial storm water facilities to minimize impact to the state's waters; Increased agricultural facilities inspections and compliant response; Inspection of Municipal Storm Sewer systems and provide compliance assistance, review annual reports and entry of inspection data; Permitting of storm water (SW) activities in the state is critical to protection of our surface water bodies. The timeliness of these reviews is very important to economic development in the state.</p>	\$136,000	\$585,000	\$721,000

Water Quality Improvement (Same) (Continued)	EQC Laboratories - Laboratory Equipment/Hood Replacement - The EQC metals laboratory needs to replace all of the metal cabinetry and lab furniture located in the prep areas. Cabinet replacement will include the bases of three fume hoods and the entire structure of a fourth hood. Additionally, the air flow within the laboratory spaces will need to be balanced to ensure safety within the laboratory and non laboratory spaces and maintain the designed airflow through the building. This need will be created to some degree from the work associated with the aforementioned changes to the fume hoods but also incremental changes to laboratory configuration and use. Evaluation and balancing of the laboratory air flow will require outside engineering consultation to insure that air flow within the lab has been optimized to maintain a healthy staff work environment, proper instrument operation and efficient use of conditioned air. Water Totals:	\$170,000 \$369,500	\$0 \$1,636,393	\$0 \$2,005,893
Emergency Medical Services (Same)	A request for \$483,600 is made to replace lost funding to support current employees and current programs. Funding will be used to retain two current ambulance inspector (Inspector III) positions, and used to partially support the current Trauma Program Coordinator II position, along with operational support for these positions. Funding for these positions is currently by one-time money. Of the funds requested, \$350,000 will be used to fund the current State EMS Data System.	\$0	\$483,600	\$483,600
Coastal Resource Improvement (Same)	OCRM is requesting \$150,000 in state recurring funds for operations. This money in operating is due to needs resulting from lost storm water permit fees. This money will be used for: operating expenses for two OCRM Regional Offices in Beaufort and Myrtle Beach; and other related operating expenses in Charleston. OCRM is also requesting \$135,289 in state recurring dollars for personnel to fund positions that are needed but lost during previous budget cuts. These positions include: 1 Environmental Health Manager III, 1 Environmental Health Manager I, and an Administrative Specialist II that assists with regulatory work. These FTEs need to be requested because the State Budget Office will be deleting vacant positions over 12 months old in October 2011 and many vacant state positions were also deleted in October 2010.	\$0	\$285,289	\$285,289
Tuberculosis Control (Family Health - Infectious Disease Prevention)	Tuberculosis Control - Funds would be used for testing, medications, inpatient treatment services, and staffing to provide these services. These costs are estimated to come to \$1,242,774.	\$0	\$1,242,774	\$1,242,774

STD/HIV Prevention and Treatment (Family Health - Infectious Disease Prevention)	STD/HIV Prevention and Treatment - Funds would restore cuts to support staff who provided routine HIV testing, STD screening, STD treatment and medications as well as partner notification services. State budget reductions have severely restricted the ability of county health departments to meet the needs of the state in these programs. S.C. ranks 3 rd in the U.S. for both Gonorrhea and Chlamydia. Untreated STD's result in Pelvic Inflammatory Disease and infertility which increase the long term costs to the state. Early identification results in improved health, reduced spread of diseases, lower costs, and increased productivity in the workforce.	\$0	\$1,024,036	\$1,024,036
ADAP (Family Health - Infectious Disease Prevention)	Funds would allow the purchase of life saving medications for low income HIV positive persons in S.C. and would prevent a wait list for clients. These funds would cover increases in the number of clients in need, increases in drug costs, and previous state budget reductions. Currently the wait list has 60 patients, and is projected to grow to more than 500 by June 2012.	\$0	\$3,000,000	\$3,000,000
Environmental Health (Family Health - Infectious Disease Prevention)	This request is for \$2,338,700 -- \$2,000,000 in recurring funds and \$338,700 in non-recurring funds. Over the past three years, state funds have been drastically reduced by \$2,738,962. Recurring funds are needed to replace the lost funds. Thirty Nine (39) Environmental Health Manager I FTE's will be divided based on current activity levels among the Regional Offices to conduct the following programs: Food Services, Wastewater and Environmental Sanitation. Non-recurring funds are needed for equipment purchases to improve program efficiency and effectiveness.	\$338,700	\$2,000,000	\$2,338,700
Radiological Health (Health Care Standards - Radiological Monitoring)	<p>We are requesting funding to fill 2 vacant FTEs in the Radioactive Materials Program. The FTEs will be used to meet mandates of the USNRC, specifically the Increased Controls requirement and the National Source Tracking System as detailed in the Change Management section. Although these FTEs are currently vacant, we are requesting two new FTEs as they will soon be taken as part of the deletion of vacancies over one-year old.</p> <p>Funding is also requested to cover the cost of two existing Environmental Health Manager I positions within the Division of Electronic Products. The funding of these two positions is currently by one-time money provided by the Agency. These positions are in the x-ray program. Their duties are primarily inspecting x-ray facilities to ensure compliance with regulations.</p> <p>Funding is requested for a partial FTE in the tanning program. Currently, the Bureau is authorized to retain \$30,000 from tanning registration fees to fund a position. However \$30,000 is not enough to fund salary, benefits, and operating costs associated with the FTE.</p>	\$0	\$247,380	\$247,380

Vital Records and Cancer Registry (Health Surveillance Support – Vital Records)	<p>Vital Records Program: \$460,000 - One-time Costs: \$360,000 (\$20,000 * 18 Regional Office) - Vital Records will establish 18 regional offices to provide better customer service with dedicated staff, more standard hours, and increases in the number of services provided at each location. Each regional office will be based on an existing county vital record office but require extensive configuration to meet the new needs. We have requested some budget from different sources and some Vital Records revenue dollars will be used but there is still a need for additional dollars to support the total cost. Recurring Costs: \$100,000 - With the currently implemented and proposed changes in ID requirements to obtain various government services in SC and across the nation there is a push to provide citizenship verification services to other agencies through various mechanisms. The DHEC Vital Records Program is a fee-funded program and if the program is required to provide verification services for free or at reduced rates it will cut into the amount of revenue collected and hinder the ability to fully fund the program activities. The costs associated with these potential requirements would have to either be shifted to our customers (citizens, agencies, and other organizations) or covered with non-revenue dollars. DHEC has been providing verification services to DHHS for Medicaid Eligibility for years through an online system and discussions regarding many other federal and state needs are ongoing.</p> <p>Cancer Registry: \$50,000 recurring costs - CDC requires state match of \$296,788 (3:1 match) for Cancer Registry. After years of state budget cuts, Cancer Registry currently has \$151,000 in state funds. One additional state FTE at \$50,000 (salary and fringe) is needed to cover two regions of SC for cancer data collection lost due to previous state cuts. This FTE needs to be requested because the State Budget Office will be deleting vacant positions over 12 months old in October 2011 and many vacant state positions were also deleted in October 2010.</p>	\$360,000	\$150,000	\$510,000
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Air Quality Improvement (Same)	Air Quality Improvement-Mobile Sources and Other Non-Major Industrial Sources - Funds would allow the agency to implement initiatives to reduce air pollution from mobile sources and non-regulated industrial sources of air pollution to help reduce public health effects from exposure to ozone, particulate matter, lead and air toxics, and help meet the new more stringent national air quality standards. These funds will be used to replace vacancies lost through budget cuts over the past few years. We are requesting seven (7) FTEs for this program. These FTEs need to be requested because the State Budget Office will be deleting vacant positions over 12 months old in October 2011 and many vacant state positions were also deleted in October 2010. In addition, we are requesting \$75,000 in one-time funds for equipment needs.	\$75,000	\$525,000	\$600,000
Land and Waste Management (Same)	<p>Emergency Response - Recurring funds for five FTE's needed for Emergency Response activities in the regional (3 of the 5) and central (2 of the 5) EQC offices. These positions provide direct response to spills, chemical releases and natural and man-made disasters. These positions provide support to county and state emergency response officials. Non-recurring funds will be used for training, personal protection equipment, monitoring equipment, etc.</p> <p>Hazardous and Non-Hazardous Waste Assessment - Funds would support three staff for assistance to the public, EQC regional offices, and internal agency elements in routine field screening analysis for emergency studies and assessments, dumping and release sites, chemical and waste determinations, review and consultation on waste analysis plans, and data verification and validation services.</p> <p>Mining - Funds would replace two staff lost in the past three years. Compliance inspections have been drastically reduced due to staff losses and program currently has a backlog of permitting activities.</p> <p>Land and Waste Management Totals:</p>	<p>\$180,000</p> <p>\$0</p> <p>\$0</p> <p>\$180,000</p>	<p>\$492,330</p> <p>\$218,043</p> <p><u>\$126,527</u></p> <p>\$836,900</p>	<p>\$672,330</p> <p>\$218,043</p> <p><u>\$126,527</u></p> <p>\$1,016,900</p>

Administration (Same)	<p>Financial Management - In FY12 the Bureau of Financial Management (BFM) has 40 filled FTEs and 3 hourly positions. This is down from 52 FTEs in FY05. During the past several years, many staff have retired or left the agency and the majority of the positions have remained unfilled due to budget reductions. With the changes from SCEIS and the increasing federal grant reporting requirements, we are requesting funds to fill two vacant band 5 FTEs. Both would be classified as an Accountant Fiscal Analyst II. One will be placed in the Division of Budgets and one in Cost Accounting and Cash Management. These FTEs need to be requested because the State Budget Office will be deleting vacant positions over 12 months old in October 2011 and many vacant state positions were also deleted in October 2010. In addition, due to the increase in credit card fees which consumes much of BFM's operating budget we are requesting an additional \$20,000. In FY11 BFM processed \$3,930,713 in credit card transactions. This is a \$618,949 increase (19%) over FY10. Although customers have been pleased with this option and the availability of agency funds has been timelier it causes an increase in fees paid by the agency.</p>			
	<p>Rent - We are also requesting \$1,126,717 to cover rent and rent surcharges for the Sims/Aycock and the Heritage Building. In the past few years, the agency's ability to cover rent with state appropriations has completely disappeared due to budget reductions.</p>	\$0	\$125,600	\$125,600
	<p>Information Systems - DHEC relies on critical information systems and network performance to conduct agency business. DHEC computer routers, switches and internet connections are at possible risk of outage due to multiple reasons. Stocking spare routers and switches to obtain DHEC internet connection redundancy are essential to ascertain the backbone support to allow DHEC systems to run without downtime. We are requesting \$100,000.</p>	\$0	\$1,126,717	\$1,126,717
		<u>\$0</u>	<u>\$100,000</u>	<u>\$100,000</u>
	Administration Totals	\$0	\$1,352,317	\$1,352,317

Ensuring Appropriate Care for the Elderly and Vulnerable (Health Care Standards - Facility Licensing)	Reductions in funding over the last three years have resulted in a significant decrease in the frequency and scope of inspections at licensed facilities/services. The additional funds will be used to fill three vacant FTE Inspector III positions and to cover associated operational costs. Refilling the three Inspector III positions will allow staff to increase our presence and to ensure greater compliance with minimum licensing standards at regulated facilities/services. Because these positions have been vacant for more than 12 months they have been pulled by the State Budget Office, so we need to request new positions. Since operating funds for this program have been reduced significantly over the last three years, the program has been supported by one time monies from elsewhere in the agency. New state recurring dollars will be used to support operations of the licensing inspection program.	\$0	\$182,060	\$182,060
Certificate of Need (Health Care Standards - Facility/Service Development)	Funding will be used to fill one FTE position that has been vacant due to budget cuts. This is not a new FTE, but we will need to request an FTE, because this will soon be deleted for being vacant over one year. This position will allow the program to keep pace with the increasing number of applications being submitted and continue to meet legislatively mandated deadlines, and clear backlogs. Since operating funding for this program has been cut significantly over the last three years, the program has been supported by one time monies from elsewhere in the Agency. New state recurring dollars will be used to support operating costs of the program.	\$0	\$71,120	\$71,120
Hemophilia (Family Health - Independent Living)	This request is for \$1,200,000 in recurring funds to support the Hemophilia program. In FY 09, the Hemophilia program had \$2,320,000 in state recurring funds. Due to state budget cuts, in SFY12 funding is only \$1,235,763, which is a cumulative reduction of 47%. Funding now falls short of the demand for services. Without these additional funds, DHEC will not be able to continue to serve all the low-income persons with Hemophilia or other blood coagulating conditions who qualify for the program.	\$0	\$1,200,000	\$1,200,000
TOTALS		\$1,323,200	\$20,503,543	\$21,826,743

**DHEC Critical Needs Remaining
(Not Included in the
FY 2012-2013 Budget Request)**

Title (Budget Category)	Description	Non- Recurring State Dollars	Recurring State Dollars	Total Dollars
Access to Care (Family Health - Access to Care)	Funds would restore critical public health services that have been severely reduced or eliminated because of consecutive state budget reductions. These are the direct services provided to the community by the county health departments and include such activities as tuberculosis control, diagnosis and treatment of certain infectious diseases, etc. During the last several years, the funding to pay for critical public health staff and services has been reduced by \$17,501,816. The impact of these reductions has been significant. These funds would replace those that have been eliminated and will help to restore public health services that are needed and in some cases demanded by the public. The \$1,294,059 requested in the FY 2012-2013 Budget Request listed above was subtracted from the \$17,501,816, leaving a total need of \$16,207,757.			
		\$0	\$16,207,757	\$16,207,757
Tuberculosis Control (Family Health - Infectious Disease Prevention)	Additional funding of \$1,565,343 is needed to help restore staff for TB treatment and control throughout the state. Funds to pay for these critical public health medications and services have been impacted by state budget reductions. This is in addition to the \$1,242,774 requested in the FY 2012-2013 Budget Request.			
		\$0	\$1,565,343	\$1,565,343
STD/HIV Prevention and Treatment (Family Health - Infectious Disease Prevention)	STD/HIV Prevention and Treatment. Funds would restore cuts to support staff who provided routine HIV testing, STD screening, STD treatment and medications as well as partner notification services. State budget reductions have severely restricted the ability of county health departments to meet the needs of the state in these programs. S.C. ranks 3 rd in the U.S. for both Gonorrhea and Chlamydia. Untreated STD's result in Pelvic Inflammatory Disease and infertility which increase the long term costs to the state. Early identification results in improved health, reduced spread of diseases, lower costs, and increased productivity in the workforce. This is in addition to the \$1,024,036 requested in the FY 2012-2013 Budget Request and would be used to replace lost capacity in across the state.			

		\$0	\$775,964	\$775,964
Ensuring Appropriate Care for the Elderly and Vulnerable (Health Care Standards - Facility Licensing)	Funds will enable the agency to continue oversight of nursing homes and assisted living facilities to ensure that the residents receive appropriate care. Although the agency received a fee increase for the licensing of nursing homes in FY2010, the fees are not adequate to make up for the significant cuts in state funding that have occurred over the last few years. This is in addition to the \$182,060 requested in the FY 2012-2013 Budget Request.			
		\$0	\$217,940	\$217,940
Obesity (Family Health – Chronic Disease Prevention)	Obesity rates for children have tripled since 1980. South Carolina ranks 13 th in the nation in childhood overweight/obesity rates. Over 30% of children and adolescents are overweight and obese in the state. Obesity directly contributes to the burden of chronic diseases. Recurring funds would allow the agency to: implement a Healthy Kids, Healthy Communities Obesity Prevention Initiative; implement evidence-based nutrition and physical activity policy and environmental changes; and expand the It's Your Health Take Charge school - based nutrition program.			
		\$40,000	\$1,423,150	\$1,463,150
Chronic Disease (Family Health – Chronic Disease Prevention)	Funds would address the epidemic of diabetes, its precursors like obesity, unhealthy nutrition and lack of physical activity and its complications like heart attacks, stroke, blindness, kidney failures and amputations. Funds would support the establishment of community - based diabetes teams to implement evidence - based diabetes prevention and control interventions; and support the implementation of a community - based Closing the Health Disparity Gap program.			
		\$57,500	\$3,139,783	\$3,197,283
Best Chance Network (Family Health – Chronic Disease Prevention)	Funds would pay for breast and cervical cancer screenings and follow-up for low income women ages 40-64. These funds represent the \$2,000,000 in non-recurring funds designated in FY08-09 and FY09-10. These funds provide screening for at least 9,000 women annually and would potentially identify over 1,500 women for follow up for breast and cervical abnormalities. If these funds are not received, these services will not be provided.			
		\$0	\$2,000,000	\$2,000,000
Colorectal Cancer Prevention (Family Health – Chronic Disease Prevention)	Funds will enable the agency to continue the implementation of the SCOPE SC (Screening Colonoscopies for Everyone in SC) program. This program provides screening colonoscopies for low income, uninsured clients above the age of 45. These funds include \$1 million in recurring funds to continue the program being done in partnership with three federally qualified health centers and to expand to other parts of the state.			
		\$0	\$3,655,119	\$3,655,119
Radiation Safety (Health Care Standards – Radiological)	Funds will allow the agency to remain compliant with the Nuclear Regulatory Commission's (NRC) requirements concerning agreement state programs. Without additional funds, South			

Monitoring)	Carolina is in danger of not meeting NRC mandates, which could lead to the NRC assuming control of the regulation of radioactive materials in South Carolina, resulting in increased costs and decreased involvement in regulatory processes for radioactive materials facilities in the state. This is in addition to the \$247,380 requested in the FY 2012-2013 Budget Request.	\$125,200	\$152,620	\$277,820
Improving and Sustaining the State Trauma System (Health Care Standards – Emergency Medical Services)	The number of designated Trauma Centers continues to decline. Funds would allow the state to maintain an adequate number of medical centers and EMS personnel to serve the growing population of the state.	\$0	\$8,000,000	\$8,000,000
Public Health Emergency Preparedness (Family Health - Access to Care)	A. Recurring funds would fund DHEC emergency management personnel, the state pharmaceutical stockpile and preparedness operations. The recurring state funds will sustain the public health capacity to respond to an influenza pandemic, a major hurricane, terrorism or other disaster. This capacity has been built with federal funds that are rapidly declining. State funds will support operation of the Public Health Emergency Pharmaceutical Stockpile of medications, medical supplies, mobile medical facilities, equipment for medical surge, and personal protective equipment. Core public health emergency preparedness personnel will be funded on state funds to assure continuity of the program as federal grants decline. Recurring state funding will be used for continuation of nine existing federal FTEs that are in jeopardy due to federal budget reductions. The imposition of federal match requirements means that state funding for public health preparedness is essential. Federal match requirements are projected to be \$1,666,409 (10% of federal funds) for FY 2011-12 and future years.	\$0	\$1,666,409	\$1,666,409
	B. Non-recurring funds of \$2,681,000 would support <u>Phase Two</u> of DHEC's project to construct emergency response facilities. Phase Two is the Strategic National Stockpile Receipt, Storage and Staging Site/Emergency Response Center.	\$2,681,000	\$0	\$2,681,000
	Total: \$4,347,409			
Cancer Registry (Health Surveillance Support – Vital Records)	Funds would restore cancer surveillance activities required by S.C. Law Section: 44-35, the S.C. Central Cancer Registry (SCCCR) Act. State matching funds (25% of total budget) required by the CDC Cooperative Agreement have been impacted because of consecutive state budget reductions. During the last two years, the funding to pay for cancer data collection and operations has been reduced by \$91,364. These funds would replace those that have been eliminated and would restore data collection for cancer surveillance.	\$0	\$40,000	\$40,000

	This is in addition to the \$50,000 requested in the FY 2012-2013 Budget Request.			
Hospital Infections Reporting (Family Health - Infectious Disease Prevention)	Funds would allow the agency to provide for the activities identified in the Hospital Infections Disclosure Act (HIDA). DHEC is mandated by the state to provide for this reporting but was not provided funding.	\$0	\$314,502	\$314,502
EQC Laboratory Certification (Water Quality Improvement)	Funds would provide personnel and operating costs for the EQC Lab Certification program to include: the processing of applications for certification; performing certification renewals; performing certification maintenance procedures; performing lab evaluations; and issuing certification to environmental laboratories certified under R. 61-81.	\$0	\$300,000	\$300,000
EQC Laboratories - Laboratory Equipment (Water Quality Improvement)	Funds would allow: the purchase of equipment for: radiochemistry, metals and organic laboratories; laboratory renovation to better utilize space in the sample characterization laboratory; and a new data management system for radiochemistry and analytical laboratories.	\$657,700	\$135,200	\$792,900
Private Well Permitting - Fully Staff Inspection Program (Water Quality Improvement)	Funds would allow the support of eight (8) additional private well inspectors to adequately inspect and geographically cover the entire state.	\$200,000	\$402,599	\$602,599
Improving Water Quality through Development of TMDL's (Water Quality Improvement)	Funds would allow for contractual support for TMDL development to include: collecting site-specific data and developing models; conducting source assessment; developing TMDL documents through EPA approval; assisting in public involvement, public meetings, public hearings and any appeals processes; and for partnering with stakeholder groups and/or local governments.	\$0	\$500,000	\$500,000
Oral Health (Family Health - Maternal/Infant Health)	Recurring funds would support staff needed to implement the new school Dental Health Screening legislation (S286) adopted in 2010 under section 44-8- 10 thru 60.	\$5,000	\$165,462	\$170,462
Diesel Emissions Reduction Program (Air Quality Improvement)	Funds would allow the agency to develop and operate an idling awareness program, on-line training program, and competitive sub-grant program for diesel engines to improve air quality and public health.	\$125,000	\$375,000	\$500,000
Camp Burnt Gin (Family Health - Independent Living)	Camp Burnt Gin provides an opportunity for children and teens with special health care needs to participate in a residential summer camp. DHEC received one time funding of \$200,000 to cover the annual cost of providing the camp. The agency is requesting recurring funds to cover the ongoing operating cost of the camp.	\$0	\$200,000	\$200,000
Stroke Prevention (Family Health -	The Stroke Systems of Care Act of 2011 was passed in June of 2011 without funding necessary for implementation. The funds requested would	\$10,500	\$445,700	\$456,200

Chronic Disease Prevention)	allow for this implementation. They would include identification of Primary Stroke Centers and hospitals that are acute stroke capable, establishing protocols related to assessment, treatment, and transport of stroke patients by EMS. It would also create the Stroke Advisory Council and a stroke registry to provide data to assist in improving stroke outcomes.			
Injury Prevention (Family Health - Access to Care)	Injury is the leading cause of death in S.C. for ages 1-44, incurring medical costs (hospital and emergency department) of approximately \$1.7 billion in 2008. Recurring funds would be used to support staff in the county and state health departments to develop and implement evidence-based injury prevention plans and programs; purchase equipment and educational supplies for the program; and allow the very effective Residential Fire Prevention program to continue without CDC funding which was eliminated.	\$0	\$578,036	\$578,036
Septic Tank and Restaurant Inspections (Family Health - Infectious Disease Prevention)	Over the past three years, state funds have been drastically reduced by \$2,738,962. Recurring funds are needed to replace the lost funds. In addition, non-recurring funds are needed for equipment purchases to improve program efficiency and effectiveness	\$0	\$738,962	\$738,962
Water Pollution Compliance & Permitting (Water Quality Improvement)	Funds would allow:			
	A. Support staff to sample the state's rivers, lakes and streams to ensure compliance with water quality standards and inspection of permitted wastewater facilities to ensure compliance with regulation.	\$0	\$208,331	\$208,331
	B. Review of monthly inspection reports from construction storm water sites for compliance and provide compliance assistance to NPDES industrial storm water facilities to minimize impact to the state's waters.	\$0	\$47,709	\$47,709
	C. Increased agricultural facilities inspections and compliant response.	\$0	\$85,711	\$85,711
	D. Inspection of Municipal Storm Sewer systems and provide compliance assistance, review annual reports and entry of inspection data.	\$0	\$22,088	\$22,088
	E. Permitting of storm water (SW) activities in the state is critical to protection of our surface water bodies. The timeliness of these reviews is very important to economic development in the state.	\$0	\$207,188	\$207,188
	Total: \$571,027			
TOTALS		\$3,901,900	\$43,570,573	\$47,472,473

Summary Details DHEC Budget Request FY2012-13

Outbreak Response Teams (Family Health - Access to Care)

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY 12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS).

This request is for **\$1,294,059** in recurring funds to provide staffing to eight Public Health Regional Outbreak Response Teams to respond to and investigate food-, water-, person-to-person and vector-borne outbreaks of public health significance. State and federal funds used to support these teams have been continually cut in the past several years. The funding and staff are essential, in order to respond in a timely and effective manner to outbreaks of public health significance. These teams also examine disease trend data from hospitals, serve as the frontline response to reports of illness, and provide medical/public health expertise and consultation during disease outbreaks. Each team consists of a public health nurse epidemiologist, disease surveillance/investigator and public health physician

Vaccine Purchases (Family Health – Infectious Disease Prevention)

This request is for **\$3,000,000** in recurring funds for the purchase of vaccines to for underinsured children and adolescents. Previous federal and state budget reductions, and increases in cost have resulted in the Immunization Program having inadequate funding to provide vaccines for all underinsured children to receive vaccines in their doctor's office (elimination of the old VAFAC – Vaccine Assurance for All Children Program. Instead, the immunization program has instituted a modified STATE Program for Vaccines, which provides vaccines for fewer children due to strict eligibility criteria and deductibles. This STATE program is operated in addition to the federally funded Vaccine for Children (VFC Only) program for the uninsured and Medicaid eligible children. While savings have been realized as a result of the changes made, there is still inadequate dollars to fund all of the recommended vaccines, such as the Pertusis booster, for the underinsured children. The cost of a single child's vaccines to meet the school age requirements is approximately \$1,053 per child by age 6. Also, minimal funding remains to purchase vaccines for vaccine preventable diseases in adults such as flu and shingles; or for disease outbreaks.

Infant Mortality (Family Health – Maternal/Infant Health)

Explanation of Changes:

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS).

This request is for **\$1,972,615** in recurring funds to address infant mortality. Specifically, the funding will support public health nurses to provide reproductive health services (family planning and preconception health counseling) and home visits to high risk newborns referred to the health department by their pediatricians. In addition, staff will collaborate with community partners to implement evidence-based strategies (e.g.: safe sleep campaign) to impact reduce infant deaths. Funding will also be used for pregnancy testing and reproductive health methods, as recommended for the prevention of unplanned pregnancies. State funds to support these services have been reduced by over \$2.2 Million over the past 3 years.

Providing these services will directly address factors contributing to high infant mortality rates and poor birth outcomes. These factors include the health of the mother before pregnancy (overweight, hypertension, diabetes, tobacco use, inadequate nutrition/folic acid, etc), unplanned pregnancies (leading to improper spacing between children), premature births (babies born too soon), very/low birthweight infants, and knowledge of prevention practices (e.g.: positioning baby on the back).

Water Quality Improvement

Explanation of Changes:

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY 12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS).

Ambient Monitoring

Water quality data is the foundation of the water permitting and water restoration programs. Funds would support an increase in the ambient monitoring network from the current 90 sites sampled on a monthly basis and 251 sites sampled on a bi-monthly basis (six times per year) to the monitoring network the agency had as recently as three years ago that consisted of approximately 500 sites sampled on a monthly basis. Fish tissue monitoring allows DHEC to provide water body specific fish consumption advice across the state to protect human health especially from high levels of mercury and PCB's in fish. These funds also would support an

increase in the fish tissue monitoring network from the current 60 sites sampled once a year to our past monitoring network consisting of 120 sites sampled once a year. Four (4) sampling staff for regional offices, three (3) staff for the central office, and two (2) staff for our laboratory is needed to restore our ambient monitoring program to an acceptable level.

Non- Recurring State Dollars	Recurring State Dollars	Total Dollars
\$0	\$600,000	\$600,000

Positions: EHM II (5) - \$184,200; EHM I (1) - \$31,484; EHM III (1) - \$44,825; Chemist II (2) - \$73,680

Water Quality Certification

State Review of 404 Wetland Applications made to the Corps of Engineers is important because it is the state's opportunity to provide input critical to protection of wetland resources. Recent state budget reductions paired with near term expiration of federal grants that have supported this effort, threaten to eliminate the state review. Funding for four (4) review staff is the minimum funding required to continue this activity.

Non- Recurring State Dollars	Recurring State Dollars	Total Dollars
\$0	\$250,000	\$250,000

Positions: EHM I (1) \$31,484; EHM II (2) - \$76,680; EHM III (1) - \$44,825

Water - Dam Safety Program

Funds would allow three (3) staff to support core functions of the program to include inspections, verifying corrections of deficiencies and assisting the public in dam failure situations.

Non- Recurring State Dollars	Recurring State Dollars	Total Dollars
\$63,500	\$201,393	\$264,893

Positions: Env. Engineer I (3) - \$122,181

Water Pollution Compliance & Permitting

Funds would provide: Support staff to sample the state's rivers, lakes and streams to ensure compliance with water quality standards and inspection of permitted wastewater facilities to ensure compliance with regulation; Review of monthly inspection reports from construction storm water sites for compliance and provide compliance assistance to NPDES industrial storm water facilities to minimize impact to the state's waters; Increased agricultural facilities inspections and compliant response; Inspection of Municipal Storm Sewer systems and provide compliance assistance, review annual reports and entry of inspection data; Permitting of storm water (SW) activities in the state is critical to protection of our surface water bodies. The timeliness of these reviews is very important to economic development in the state.

Non- Recurring State Dollars	Recurring State Dollars	Total Dollars
\$136,000	\$585,000	\$721,000

Positions: EHM I (5) - \$157,420; EHM II (3) \$110,520; Env. Engineer I (2) - \$81,454; Env. Engineer II (1) - \$46,605

EQC Laboratories - Laboratory Equipment/Hood Replacement

The EQC metals laboratory needs to replace all of the metal cabinetry and lab furniture located in the prep areas. Cabinet replacement will include the bases of three fume hoods and the entire structure of a fourth hood. Additionally, the air flow within the laboratory spaces will need to be balanced to ensure safety within the laboratory and non laboratory spaces and maintain the designed airflow through the building. This need will be created to some degree from the work associated with the aforementioned changes to the fume hoods but also incremental changes to laboratory configuration and use. Evaluation and balancing of the laboratory air flow will require outside engineering consultation to insure that air flow within the lab has been optimized to maintain a healthy staff work environment, proper instrument operation and efficient use of conditioned air.

Non- Recurring State Dollars	Recurring State Dollars	Total Dollars
\$170,000	\$0	\$170,000

Water Total:		
Non- Recurring State Dollars	Recurring State Dollars	Total
Dollars		
\$0	\$600,000	\$600,000
\$0	\$250,000	\$250,000
\$63,500	\$201,393	\$264,893
\$136,000	\$585,000	\$721,000
\$170,000	\$0	\$170,000
\$369,500	\$1,636,393	\$2,005,893

Emergency Medical Services

Explanation of Changes:

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY 12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS).

A request for **\$483,600** is made to replace lost funding to support current employees and current programs. Funding will be used to retain two current ambulance inspector (Inspector III) positions, and used to partially support the current Trauma Program Coordinator II position, along with operational support for these positions. Funding for these positions is currently by one-time money. Of the funds requested, **\$350,000** will be used to fund the current State EMS Data System.

Coastal Resource Improvement

Explanation of Changes:

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY 12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS). This is the **\$246,216** difference.

In addition, for FY2013, OCRM is requesting **\$150,000** in state recurring funds for operations. This money in operating is due to needs resulting from lost stormwater permit fees. This money will be used for: operating expenses for two OCRM Regional Offices in Beaufort and Myrtle Beach; boat maintenance, equipment renewal, and other related operating expenses.

OCRM is also requesting **\$135,289** in state recurring dollars for personnel to fund positions that are needed but lost during previous budget cuts. These positions include: 1 Environmental Health Manager III, 1 Environmental Health Manager I, and an Administrative Specialist II that assists with regulatory work. These FTEs need to be requested because the State Budget Office will be deleting vacant positions over 12 months old in October 2011 and many vacant state positions were also deleted in October 2010.

Infectious Disease

Explanation of Changes:

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS).

Tuberculosis Control (Family Health – Infectious Disease Prevention)

This request is for **\$1,242,774** in recurring funds for Tuberculosis Control (TB) services to restore cuts for staff for medications and treatment services. Specifically, funds will be used for testing, medications, inpatient treatment services, and staffing to provide these services. Budget

cuts in Federal and State sources have affected DHEC's ability to meet its mandate to provide and/or assure treatment, prevention and control services and activities. During the last three years, the TB Program has lost approximately 44% of its state funding which amounts to over \$2.6 Million.

STD/HIV Prevention and Treatment (Family Health – Infectious Disease Prevention)

This request is for **\$1,024,036** in recurring funds to restore cuts for county health department staff who operate the clinic and who provide routine sexually transmitted disease (STD) screening, STD treatment, partner notification services and routine HIV Testing. State budget cuts have severely reduced the capacity of county health departments to meet the needs of the state in this program. State funds have been reduced by approximately \$1.8 Million over the past 3 years. Funding would also be used to purchase medications for treatment and for the operational costs of county staff who must travel as part as part of their disease investigation work. SC ranks 3rd highest in the United States for rates of both Gonorrhea and Chlamydia disease. Untreated STD's result in Pelvic Inflammatory Disease and infertility which increase the long term costs to the state. Early identification results in improved health, reduced spread of diseases, lower costs, and increased productivity in the workforce.

ADAP (Family Health – Infectious Disease Prevention)

This request is for **\$3,000,000** dollars in recurring funds for the AIDS Drug Assistance Program (ADAP) to purchase life saving medications for low income HIV positive persons in S.C. and would remove persons who are on the wait list and/or prevent a new wait list. These funds are needed due to increases in the numbers of clients in need, increases in drug costs and previous budget reductions. This funding would serve 250 persons. Treatment is very important because with adherence to medication, the viral load is suppressed and the virus may not be transmitted, thus treatment is critical in reducing new HIV infection.

Environmental Health (Family Health – Infectious Disease Prevention)

This request is for **\$2,338,700** -- \$2,000,000 in recurring funds and \$338,700 in non-recurring funds. Over the past three years, state funds have been drastically reduced by \$2,738,962. Recurring funds are needed to replace the lost funds. Thirty Nine (39) Environmental Health Manager I FTE's will be divided based on current activity levels among the Regional Offices to conduct the following programs: Food Services, Wastewater and Environmental Sanitation. Non-recurring funds are needed for equipment purchases to improve program efficiency and effectiveness.

Radiological Health (Health Care Standards – Radiological Monitoring)

Explanation of Changes:

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY 12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS).

We are requesting funding to fill 2 vacant FTEs in the Radioactive Materials Program. The FTEs will be used to meet mandates of the USNRC, specifically the Increased Controls requirement and the National Source Tracking System as detailed in the Change Management section. Although these FTEs are currently vacant, we are requesting two new FTEs as they will soon be taken as part of the deletion of vacancies over one-year old.

Funding is also requested to cover the cost of two existing Environmental Health Manager I positions within the Division of Electronic Products. The funding of these two positions is currently by one-time money provided by the Agency. These positions are in the x-ray program. Their duties are primarily inspecting x-ray facilities to ensure compliance with regulations.

Funding is requested for a partial FTE in the tanning program. Currently, the Bureau is authorized to retain \$30,000 from tanning registration fees to fund a position. However \$30,000 is not enough to fund salary, benefits, and operating costs associated with the FTE.

Current operating costs for the Bureau are being funded through one time monies from elsewhere in the Agency. Additional recurring operating funds will be used to support operations of the program, including inspector's travel to regulated facilities, maintenance and calibration of instrumentation used in inspections, and office support such as leases.

Vital Records & Cancer Registry (Health Surveillance Support – Vital Records)

Explanation of Changes:

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY 12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS).

State Vital Records Program: \$460,000

One-time Costs: **\$360,000** (\$20,000 * 18 Regional Office) - Vital Record will establish 18 regional office to provide better customer service with dedicated staff, more standard hours, and increases in the number of services provided at each location. Each regional office will be based

on an existing county vital record office but require extensive configuration to meet the new needs. We have requested some budget from different sources and some Vital Records revenue dollars will be used but there is still a need for additional dollars to support the total cost.

Recurring Costs: \$100,000 - With the currently implemented and proposed changes in ID requirements to obtain various government services in SC and across the nation there is a push to provide citizenship verification services to other agencies through various mechanisms. The DHEC Vital Records Program is a fee-funded program and if the program is required to provide verification services for free or at reduced rates it will cut into the amount of revenue collected and hinder the ability to fully fund the program activities. The costs associated with these potential requirements would have to either be shifted to our customers (citizens, agencies, and other organizations) or covered with non-revenue dollars. DHEC has been providing verification services to DHHS for Medicaid Eligibility for years through an online system and discussions regarding many other federal and state needs are ongoing.

Cancer Registry: \$50,000

CDC requires state match of \$296,788 (3:1 match) for Cancer Registry. After years of state budget cuts, Cancer Registry currently has \$151,000 in state funds. One additional state FTE at **\$50,000** (salary and fringe) is needed to cover two regions of SC for cancer data collection lost due to previous state cuts. This FTE needs to be requested because the State Budget Office will be deleting vacant positions over 12 months old in October 2011 and many vacant state positions were also deleted in October 2010.

Air Quality Improvement

Explanation of Changes:

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY 12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS).

Air Quality Improvement-Mobile Sources and Other Non-Major Industrial Sources

Funds would allow the agency to implement initiatives to reduce air pollution from mobile sources and non-regulated industrial sources of air pollution to help reduce public health effects from exposure to ozone, particulate matter, lead and air toxics, and help meet the new more stringent national air quality standards. These funds will be used to replace vacancies lost through budget cuts over the past few years. We are requesting seven (7) FTEs for this program: EHM I (1) - \$31,484; EHM II (2) - \$105,000; EHM III (1) - \$63,877; EEA II (1) - \$52,500, and Climatologist II (2) - \$105,000. These FTEs need to be requested because the State Budget Office will be deleting vacant positions over 12 months old in October 2011 and many vacant state positions were also deleted in October 2010.

\$0	\$126,527	\$126,527
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Positions: EHM II (1) - \$36,840; Environmental Engineer II (1) - \$46,605

<u>Land Total:</u>		
<u>Non- Recurring State Dollars</u>	<u>Recurring State Dollars</u>	<u>Total Dollars</u>
\$180,000	\$492,330	\$672,330
\$0	\$218,043	\$218,043
\$0	<u>\$126,527</u>	<u>\$126,527</u>
\$180,000	<u>\$836,900</u>	<u>\$1,016,900</u>

Administration

Explanation of Changes:

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS). In FY12 the Bureau of Financial Management has 40 filled FTEs and 3 hourly positions. This is down from 52 FTEs in FY05. During the past several years, many staff have retired or left the agency and the majority of the positions have remained unfilled due to budget reductions. With the changes from SCEIS and the increasing federal grant reporting requirements, we are requesting funds to fill two vacant Band (5) FTEs. Both would be classified as an Accountant Fiscal Analyst II. One will be placed in the Division of Budgets and one in Cost Accounting and Cash Management. These FTEs need to be requested because the State Budget Office will be deleting vacant positions over 12 months old in October 2011 and many vacant state positions were also deleted in October 2010.

In addition, due to the increase in credit card fees which consumes much of the BFM's operating budget we are requesting an additional **\$20,000**. In FY11 BFM processed \$3,930,713 in credit card transactions. This is a \$618,949 increase (19%) over FY10. Although customers have been pleased with this option and the availability of agency funds have been more timely it causes an increase in fees paid by the agency.

We are also requesting **\$1,126,717** to cover rent and rent surcharges for the Sims/Aycock and the Heritage Building. In the past few years, the agency's ability to cover rent with state appropriations has completely disappeared due to budget reductions.

DHEC relies on critical information systems and network performance to conduct agency business. DHEC computer routers, switches and internet connections are at possible risk of

outage due to multiple reasons. Stocking spare routers and switches to obtain DHEC internet connection redundancy are essential to ascertain the backbone support to allow DHEC systems to run without downtime. We are requesting \$100,000.

Ensuring Appropriate Care for the Elderly and Vulnerable (Health Care Standards - Facility Licensing)

Explanation of Changes:

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS).

Reductions in funding over the last three years have resulted in a significant decrease in the frequency and scope of inspections at licensed facilities/services. The additional funds will be used to fill three vacant FTE Inspector III positions and to cover associated operational costs. Refilling the three Inspector III positions will allow staff to increase our presence and to ensure greater compliance with minimum licensing standards at regulated facilities/services. Because these positions have been vacant for more than 12 months they have been pulled by the State Budget Office, so we need to request new positions. Since operating funds for this program have been reduced significantly over the last three years, the program has been supported by one time monies from elsewhere in the agency. New State recurring dollars will be used to support operations of the licensing inspection program.

Certificate of Need (Health Care Standards - Facility/Service Development)

Explanation of Changes:

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY 12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS).

Funding will be used to fill one FTE position that has been vacant due to budget cuts. This is not a new FTE, but we will need to request an FTE, because this will soon be deleted for being vacant over one year. This position will allow the program to keep pace with the increasing number of applications being submitted and continue to meet legislatively mandated deadlines, and clear backlogs.

Since operating funding for this program has been cut significantly over the last three years, the program has been supported by one time monies from elsewhere in the agency. New state recurring dollars will be used to support operating costs of the program.

Hemophilia (Family Health – Independent Living)

Explanation of Changes:

State, federal and other (earmarked) funds authorizations have been realigned to more closely resemble current year budget priorities, processes and changes that have occurred since the FY 12 budget was developed October 2010. Many of these changes have occurred due to the legislative process and continuing challenges/opportunities of the state's new accounting system (SCEIS).

This request is for **\$1,200,000** in recurring funds to support the Hemophilia program. In FY 09, the Hemophilia program had \$2,320,000 in state recurring funds. Due to state budget cuts, in SFY12 funding is only \$1,235,763, which is a cumulative reduction of 47%. Funding now falls short of the demand for services. Without these additional funds, DHEC will not be able to continue to serve all the low-income persons with Hemophilia or other blood coagulating conditions who qualify for the program.

**DHEC Capital Project Needs Included in the
FY 2012-2013 Budget Request**

Title	Description	Non-Recurring State Dollars	Recurring State Dollars	Total Dollars
Florence County Health Department Roof Replacement and Repair of the Exterior Facade	This would be a capital improvement project to replace the existing built up roof with a single-ply roof membrane and repair sections of the synthetic stucco facade where over time damage has occurred allowing water penetration. The roof is reaching the end of its life and leaks are becoming more common. The intent is to provide a low maintenance water tight roof surface and facade.	\$300,000	\$0	\$300,000
Environmental Radiology Laboratory and Radiological Calibration	DHEC wishes to co-locate the Environmental Radiology Laboratory and the Division of Electronic Products Calibration Laboratory with the Hayne Central Environmental Laboratory and provide for badly needed expansions of those laboratories. Due to the need for reinforced flooring to support the specialized instrumentation and detectors required for radiological monitoring, the Radiological Laboratory remained in the Sims/Aycock Office Complex when the Central Environmental Laboratory moved to its present location in 1981. The Division of Electronic Products operates a separate facility, in Building #5 at State Park, for calibrating radiation detection and measurement instrumentation used by radiation control programs nationwide. The laboratory is accredited by the Conference of Radiation Control Program Directors and is one of only two accredited laboratories nationwide that is operated by a state radiation control program. The South Carolina Laboratory is certified for calibrations of equipment and instrumentation capable of generating both X-rays and gamma rays. The Calibration Laboratory has assisted over 15 other states in calibrating similar instrumentation used by their monitoring programs. The proposed new construction will allow the Environmental Radiological Laboratory and the Division of Electronic Products Calibration Laboratory to expand and operate more safely and efficiently due to specialized and improved laboratory space in a central location, generate data for selected radiological parameters for which no capability now exists and also meet the existing requirements associated with the Americans with Disabilities Act (ADA).	\$3,250,000	\$0	\$3,250,000
TOTALS		\$3,550,000	\$0	\$3,550,000

**DHEC Capital Project Needs Remaining
(Not Included in the
FY 2012-2013 Budget Request)**

Title	Description	Non-Recurring State Dollars	Recurring State Dollars	Total Dollars
Health Department Facilities Improvements	<p>The conditions in our public health facilities throughout state continue to deteriorate. Over one million citizens receive critical services annually either in these aging facilities or from our staff that is housed in them. A significant number of county health department facilities were constructed in the late 1950's using federal Hill-Burton funds. The county governments have worked hard to maintain these facilities along with local DHEC staff; however, they are continuing to deteriorate to the point that maintenance is becoming impossible and extremely expensive. In addition to the age, the design of these facilities was done at a time where the provision of public health care services was very different than it is today. The Health Insurance Portability and Accountability Act of 1996 (HIPAA) has made for a number of changes in needs as well. There are no sources of funds appropriated for the replacement or renovation of any of these facilities. The agency intends to seek any federal, local or other funds available to assist in maximizing these funds for this purpose. If funding is not received, these facilities will continue to deteriorate and will be forced to close or undergo even more expensive renovations at a later date. This will result in limited access or no services for some citizens.</p> <p>With \$1,000,000 in non-recurring funds, DHEC can systematically work on renovating and constructing new facilities, giving priority to those facilities with the greatest need. Agency resources are allocated along priority areas – state, federal, while earned dollars are restricted to specific activities or services by the funding source. Few discretionary funds currently exist due to years of state and federal reductions. Programs must have state resources to expand or maintain current services.</p> <p>These funds would complement and expand the opportunities for support from local government for county supported buildings that house public health programs.</p>	\$1,000,000	\$0	\$1,000,000
TOTALS		\$1,000,000	\$0	\$1,000,000